

probabilities derived from a national sample of persons.¹² Thus, in the above example, the daughter's viewing might not be credited, while viewing is imputed to one of her parents. If she were watching a children's program, then the program's child audience would be underreported. This reduces children's ratings. For example, in one market, a station's children's (2-11) ratings during the afternoon (3-5 p.m.) dropped from 11 to two from 1992 to 1995. The overall children's rating for the market dropped from 17 to 11, and the cable rating dropped from three to one. Other markets have witnessed erratic ratings for children over the past several years.

Examples of questionable imputation abound. One distributor of children's programming has discovered numerous instances in which one of its programs *with primary appeal to young children* had high household ratings, but relatively insignificant children's ratings. In one market, Nielsen reported 22,000 TVHH, but only 5000 children 2-11 in the audience. In another market, Nielsen reported that the program had 117,000 viewers 2+, but only 44,000 persons 2-11. Nielsen, thus, estimated that less than 40% of the audience for a program with primary appeal to young children consisted of children 2-11.

VI. Holiday Problems

The inclusion of holidays in rating periods may skew ratings. This is a particular problem during the November rating period (the so-called "sweeps") which may include either Halloween or Thanksgiving. On Halloween, viewing by children in the evening is atypically down. Thus, stations with programming which appeals to children suffer a disproportionate underreporting of audience on Halloween.

¹²The process of imputation by Nielsen is far from transparent. Again, Nielsen claims that the methodology is proprietary and refuses to disclose it.

Thanksgiving presents the problems of “on-vacation” diaries included in the in-tab sample, while viewing by visitors in homes often is not recorded properly. A similar problem exists in “grandparent” TVHH (*i.e.*, where grandchildren visit during holiday periods), which Nielsen often treats as a household with children. However, the children typically visit for only a portion of the rating period. During the other portion, the children remain part of the sample, but no viewing is recorded or reported because they have left grandma’s house and returned to their homes.

VII. Related Considerations

Several more general observations also are in order. First, station personnel must invest weeks of time (much of it at Nielsen’s offices in Florida) reviewing diaries and questioning Nielsen personnel to unearth the roots of their problems with Nielsen ratings for their stations. Most stations simply do not have the resources to stay in pursuit of Nielsen to this extent.

Second, the advertising community has little interest in improving the reliability of ratings, especially with respect to viewing to broadcast networks and local television stations. If their audiences are underestimated by Nielsen, the advertisers gain a windfall. Because broadcast television advertising remains the most effective and expensive mass advertising medium, advertisers have no incentive to support efforts which might eliminate the windfall.

Third, when broadcast ratings fail to reflect the size of broadcast audiences, local television stations and broadcast networks are handicapped in their efforts to compete with cable television and other emerging video distribution technologies. Local television stations rely exclusively on advertising revenue. Cable and other video distributors rely more heavily on subscription fees, which are insensitive to audience ratings.

Finally, local television stations remain unique in their status as federal licensees with defined obligations to serve the public interest. Inaccurate and unreliable ratings should not be permitted to undermine their abilities to compete in an increasingly crowded video distribution market and provide the best possible service to their communities.